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**EVIDENCE OF THE EMERGING CONSENSUS
IN LABOUR MARKET POLICY REPORTS**

Prepared by

Marnie Mitchell

Task Force on Employment and Training Secretariat

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THE EMERGING CONSENSUS ON LABOUR MARKET POLICY IN CANADA

The purpose of this paper is to describe the recent Canadian public policy literature on labour market issues in terms of the common themes expressed on developments affecting the labour market and on appropriate policy responses. To the extent that common themes exist, they suggest that there may also be the basis for consensus policy solutions, although some significant differences remain over how to implement policy solutions.

Contemporary Public Policy Literature on Labour Market Issues

A review of recent analyses of labour market issues, produced either by government agencies in Canada or for the purposes of advising governments, revealed of a number of common themes. These themes related to the forces of change which are affecting the labour market, the changing characteristics of the labour market resulting from these forces of change, and the policies proposed to address these changes.

We will call these themes "The Emerging Consensus" reflecting the extent to which they were repeated and appeared to be accepted as the common understanding of issues and policy prescriptions to address those issues for the 1990s and beyond. This is not to say that there are not significant differences of opinion on details of analysis or on policy responses to certain issues. Those differences exist and they are noted in the discussion below. However, for recent government (or commissioned by government) documents on labour market issues there is substantial evidence of a common framework of assumptions on what needs to be done to improve the efficiency of the labour market in Canada. Differences emerge, however, over who is responsible for making and financing changes.

The Emerging Consensus - Documents Consulted

The sources used to identify the elements of the emerging consensus were published either by governments or by agencies established to advise governments. The significance of other literature is recognized of course, but for the purposes of identifying the emerging consensus only sources clearly connected with the public policy process were used.

Most of the sources originated from the federal government or had a federal perspective. They are:

- Success in the Works: A Policy Paper (Employment and Immigration Canada, 1989) - A discussion paper outlining the Labour Force Development Strategy;

- Adjusting to Win (Report of the Advisory Council on Adjustment, 1989) - Report of the Advisory Council created by the federal government to investigate adjustment issues related to the Canada-U.S. free trade agreement;

- Report of the CLMPC Task Forces on the Labour Force Development Strategy. The Canadian Labour Market and Productivity Centre (CLMPC) Task Forces were created to serve as a part of a consultation process for Employment and Immigration Canada on the Labour Force Development Strategy. The report was published in 1990;

- Report of the Business/Labour Task Force on Adjustment, CLMPC, 1989 - Report of the CLMPC Business/Labour Task Force on Adjustment which was created to examine the appropriateness of existing adjustment programs and to consider methods for business and labour to better manage the process of change;

- Good Jobs, Bad Jobs: Employment in the Service Economy, Economic Council of Canada, 1990 - A statement by the Economic Council of Canada on employment in the service sector.

Documents originating from the British Columbia government were:

- The March 16, 1989 Speech from the Throne which announced the intent to create a Task Force to examine employment and training issues;

- Towards A National Competitiveness Strategy: Building on the Emerging Consensus, Province of British Columbia, 1989 - A discussion paper addressing a national strategy to ensure long-term competitiveness;

- A British Columbia Skills Development Strategy, Report of the Skills Development Advisory Committee, 1989 - The Skills Development Advisory Committee was appointed by the British Columbia government to determine the nature and scope of a skills development strategy, and to provide recommendations on enhancing access to, and participation in, skill development in British Columbia.

Although documents from other provincial jurisdictions in Canada were not systematically canvassed for this exercise, one was included because it was a recently published major report on labour market issues - People and Skills in the New Global Economy, Ontario Premier's Council Report, 1990.

The Emerging Consensus - Forces of Change

The forces of change refers to large scale economic, technological and demographic developments which impact the labour market. Any one of these could be the subject of extensive inquiry, however, for the purposes of indicating the common framework and assumptions of the emerging consensus, they can be dealt with in summary fashion.

Globalization of product markets - Increased levels of international trade and competition, global trading patterns and an international division of labour are cited as significant developments forcing economic restructuring in Canada.¹ The impact of that restructuring is evident in changes in the industrial, occupational and regional distribution of employment which are discussed below.

Rapid, if not increasing, technological change - Technological change is another major force shaping economic restructuring in Canada.² Technological change results in the development of new products and processes, in the application of new technologies to existing tasks, and in accelerated obsolescence of products and skills. As a result, the importance of traditional competitive factors such as proximity to resources and market are diminished and skills in the development and use of technology become more significant. A

1 See Advisory Council on Adjustment, Adjusting to Win, p. 53; Canadian Labour Market and Productivity Centre, Report of the CLMPC Task Forces on the Labour Force Development Strategy, p. 262; Canadian Labour Market and Productivity Centre, Report of the Business/Labour Task Force on Adjustment, p. 2; Economic Council of Canada, Good Jobs, Bad Jobs: Employment in the Service Economy, pp. 8-9, Province of British Columbia, Towards a National Competitiveness Strategy: Building on the Emerging Consensus, pp. 2-3; British Columbia Skills Development Advisory Committee, A British Columbia Skills Development Strategy, pp. 6-7; Ontario Premier's Council Report, People and Skills in the New Global Economy, p. 3.

2 See Employment and Immigration Canada, Success in the Works: A Policy Paper, p. 1; Advisory Council, Adjusting, p. 24; CLMPC, Report of the Task Forces, pp. 245, 262; CLMPC, Report on Adjustment, p. 3; British Columbia, Competitiveness Strategy, p. 4; Skills Development Advisory, Skills Development, p. 6; Premier's Council, People and Skills, p. 3.

number of the sources reviewed anticipated an accelerating pace of technological change in the 1990s.³

Demographic changes - Sources are agreed that the "baby bust" of the 1970s will mean a reduction in the numbers of youth labour force entrants in the 1990s.⁴ Projections are that the labour force in Canada will grow at a rate of only 180,000/year during the 1990s compared to a rate of 300,000/year during the 1970s.⁵ Another source states if participation rates for youth remain at 70%, the pool of youth available in Canada will fall by 140,000 during the 1990s.⁶ One source notes, however, that for longer term population and labour force projections, the absolute levels vary significantly depending upon the fertility and immigration assumptions used.⁷

The aging of the population will not only result in a dwindling supply of labour force entrants, it will also shift the focus of adjustment issues away from youth unemployment and toward older worker adjustment. One source, however, the 1989 British Columbia Speech from the Throne, indicated that both youth unemployment and older worker unemployment were issues facing government.⁸

These demographic changes impact on the labour market in terms of composition of the labour force, especially new entrants to the labour force, and on skill shortages as a result of low labour force growth.

3 See Advisory Council, Adjusting, p. 24; CLMPC, Report of the Task Forces, p. 262; CLMPC, Report on Adjustment, p. 3; Premier's Council, People and Skills, p. 3.

4 See EIC, Success, p. 2; Advisory Council, Adjusting, p. 23; CLMPC, Report of the Task Forces, pp. 82-83, 161, 246; CLMPC, Report on Adjustment, p. 6; British Columbia, Competitiveness Strategy, p. 4; Skills Development Advisory, Skills Development, p. 6; Premier's Council, People and Skills, pp. 8-10.

5 See EIC, Success, p. 2.

6 See CLMPC, Report of the Task Forces, p. 161.

7 Ibid., pp. 82-3.

8 See Province of British Columbia, Speech from the Throne, p. 9.

The Emerging Consensus - Impact on the Labour Market

These changes have resulted in significant changes in the labour market. Again, any of the impacts discussed could be the subject of extensive analysis, but are dealt with in a summary fashion to indicate the nature of consensus in the literature reviewed.

Changes in the distribution of employment - The continuing trend of employment shifting from the goods producing sector to the service sector is widely noted.⁹ This shift is attributed primarily to productivity growth in the goods producing sector, and secondarily to weak demand for the output of some industries in the goods producing sector (e.g. mining). Reclassification of some manufacturing jobs which have moved to the service sector as a result of the trend toward contracting out (e.g. accounting and computer services) is also reflected in the sectoral employment changes.

These changes in employment by industry have been accompanied by changes in the occupational structure. Two-thirds of the net increase in employment between 1981-88 was in managerial and professional occupations.¹⁰ This trend is anticipated to continue with the large majority of new jobs expected in managerial and professional, sales and clerical occupations between 1986 and 2000.¹¹

9 See Advisory Council, Adjusting, p. 25; CLMPC, Report of the Task Forces, pp. 83, 247; CLMPC, Report on Adjustment, pp. 3, 5; Economic Council, Good Jobs, Bad Jobs, p. 4; Skills Development Advisory, Skills Development, p. 6.

10 See CLMPC, Report of the Task Forces, p. 83; CLMPC, Report on Adjustment, p. 6.

11 See CLMPC, Report of the Task Forces, p. 83.

Geographically, changes in the distribution of employment have been characterized by a disproportionate growth of employment in Ontario between 1981-88,¹² and by a concentration of employment in the "dynamic" service industry sectors in large cities.¹³

Another change noted is the growth of new jobs in small businesses. This change is attributed partially to the prevalence of small business in the growing service sector, and partially to the flexibility and adaptability of small businesses.¹⁴

Changes in hours worked - Another impact of industrial restructuring on the labour market has been the movement away from full-time, full-year work to various types of non-standard work. The growing incidence of part-time work and specifically the growth of involuntary part-time work are cited as significant developments.¹⁵ Other forms of non-standard work which are increasing are short-term (less than six months) work; own-account self-employment (self-employed who do not have employees); and temporary help agency work.¹⁶

Segmentation of employment into "good" jobs and "bad" jobs - The combined result of these impacts has been the growth of both high-paid, high-skilled, stable jobs and low-paid, low-skilled non-standard jobs. Income polarization has increased in all industry groupings. Jobs with mid-level skill requirements and wages have been declining. The disparity between high quality jobs with economic security and low quality jobs without security has been increasing.¹⁷

12 See CLMPC, Report on Adjustment, p. 6.

13 See Economic Council, Good Jobs, Bad Jobs, p. 10 (and p. 2 of that publication for a definition of "dynamic" services).

14 See CLMPC, Report on Adjustment, p. 7.

15 See Advisory Council, Adjusting, p. 36; CLMPC, Report of the Task Forces, p. 262; Economic Council, Good Jobs, Bad Jobs, pp. 11-12.

16 See Economic Council, Good Jobs, Bad Jobs, p. 12.

17 See CLMPC, Report of the Task Forces, p. 262; Economic Council, Good Jobs, Bad Jobs, pp. 14, 15, 17, 18; Premier's Council, People and Skills, pp. 4, 86.

Increased skill requirements - There is agreement that the skill requirements of jobs have been increasing and will continue to do so.¹⁸ Technological change, the growth of managerial and professional jobs, and skills required for entrepreneurs are cited as factors leading to the need for higher skill levels. Changing educational requirements, with a significantly larger proportion of new jobs forecast to require post-secondary education, are noted in a number of sources.¹⁹

Where the sources reviewed are not in complete agreement is on the issue of the comprehensiveness of increasing skills requirements. A number of sources argue that even low-wage service sector jobs are becoming more sophisticated and require greater numeracy, literacy and technical skills.²⁰ A general requirement for enhanced analytical, problem-solving and communications skills is also cited.²¹ In contrast, it is argued elsewhere that technological change has resulted in widespread de-skilling, as well as re-skilling, and that there has not been a uniform general increase in skill requirements.²²

Changes in the composition of the labour force - The decline in new entrants to the labour force, discussed above as a result of the demographic change commonly referred to as the "baby bust", will have significant implications in terms of potential labour shortages. A number of sources suggest that women and persons who have traditionally played a

18 See EIC, Success, p. 1; Advisory Council, Adjusting, pp. 15, 24, 27; CLMPC, Report of the Task Forces, pp. 26, 83, 245, 247, 262; CLMPC, Report on Adjustment, pp. 3, 6; Economic Council, Good Jobs, Bad Jobs, pp. 14, 18, 19; British Columbia, Throne Speech, pp. 8, 10; British Columbia, Competitiveness Strategy, p. 14; Skills Development Advisory, Skills Development, p. 7; Premier's Council, People and Skills, pp. 6, 84.

19 See EIC, Success, p. 1; Advisory Council, Adjusting, p. 24; CLMPC, Report on Adjustment, p. 3; Skills Development Advisory, Skills Development, p. 7; Premier's Council, People and Skills, p. 6.

20 See, for example, CLMPC, Report of the Task Forces, p. 26.

21 See EIC, Success, p. 1.

22 See CLMPC, Report of the Task Forces, p. 262.

marginal role in the economy or who have faced discrimination (e.g. natives, disabled persons, visible minorities) will play a larger role as new entrants to the labour force.²³

One source, analyzing participation rate trends, suggests that while the proportion of women in the labour force will continue to increase, participation rates will level off and the aggregate participation rate will peak in the year 2001. Consequently, although the working age population will be growing at a slower rate than it did in the 1970s and 1980s, the relative importance of youth in contributing to labour force growth will be greater in the new century. Since immigration contributes significantly to the growth of the working age population, immigration will be supplying an increasing proportion of labour market needs.²⁴

The need for ongoing training and retraining of the existing labour force to meet skill shortages is frequently cited in the context of the declining numbers of new labour force entrants.²⁵

Skill shortages - Current and anticipated future skill shortages were cited by nearly all of the sources reviewed. Apart from the declining numbers of new labour force entrants, these skill shortages were attributed to two main problems: (1) deficiencies in the education system; and (2) deficiencies in workplace training.

23 See EIC, Success, p. 2; CLMPC, Report of the Task Forces, p. 161; CLMPC, Report on Adjustment, p. 7; Skills Development Advisory, Skills Development, p. 7.

24 See CLMPC, Report of the Task Forces, p. 82; see also Premier's Council, People and Skills, pp. 8-11 for discussion of the relative importance of immigration in contributing to labour force growth.

25 See Advisory Council, Adjusting, p. 2; CLMPC, Report of the Task Forces, pp. 246, 262; Skills Development Advisory, Skills Development, p. 7; Premier's Council, People and Skills, pp. 8-11.

With respect to education, a number of indicators - high levels of functional illiteracy; high drop-out rates; weak levels of basic numeracy, literacy, scientific and technical knowledge on the part of high school graduates; and poor performance on international education achievement tests by Canadian students - are cited as evidence of the inadequacies of the education system in preparing students for the labour force.²⁶

For workplace training, most sources cite the relatively low spending on formal workplace training in Canada, the large percentage of employers who provide no formal workplace training, and the tendency to provide formal workplace training only to skilled, highly paid workers as evidence of the deficiencies of workplace training.²⁷ The paper produced by the business members of the CLMPC Task Force on Approaches to Human Resource Planning, however, challenged this view. They argued that by macroeconomic indicators such as economic growth, employment growth and trade performance Canada compared well with international competitors and that this would not be the case if there were widespread structural deficiencies in private sector training policies.²⁸

Long-term unemployment - A number of sources noted that some groups of workers experienced higher incidences of long-term unemployment, even as the unemployment picture improved considerably in the late 1980s. Older workers (usually defined as 45 and older) particularly were noted to have increasing unemployment rates and more long-term unemployment.²⁹ Older workers tend to experience adjustment problems as a result of

26 See EIC, Success, p. 1; Advisory Council, Adjusting, p. 31; CLMPC, Report of the Task Forces, pp. 50, 165, 228, 249; Economic Council, Good Jobs, Bad Jobs, p. 19; British Columbia, Competitiveness Strategy, pp. 8, 15; Skills Development Advisory, Skills Development, p. 12; Premier's Council, People and Skills, pp. 4, 24.

27 See EIC, Success, p. 2; CLMPC, Report of the Task Forces, pp. 260, 263, 266; Economic Council, Good Jobs, Bad Jobs, pp. 20, 24; British Columbia, Competitiveness Strategy, p. 21; Premier's Council, People and Skills, p. 83.

28 See CLMPC, Report of the Task Forces, p. 248.

29 See EIC, Success, p. 2; Advisory Council, Adjusting, p. 36; CLMPC, Report of the Task Forces, pp. 12, 16, 63, 71; Economic Council, Good Jobs, Bad Jobs, p. 16; British

having few marketable skills, low education, lack of mobility and employer biases. They have not, as a whole, been protected from lay-off by virtue of their seniority because they make up a relatively large proportion of the workers in industries which have had major plant closings.³⁰

Other groups experiencing difficulty finding new jobs after they have been laid off are immigrant women³¹, workers in small communities³², and generally, those with low levels of education and skills.

The Emerging Consensus - Policy Proposals

The sources reviewed were also consistent, up to a point, on policy recommendations to address the issues identified above. Within a general consensus on a desired policy outcome, however, there is considerable difference of opinion on specific measures to achieve those outcomes, particularly with respect to workplace training.

Workplace training and the development of a training culture - There is general agreement that training and human resource planning need to become part of the way business is done in Canada to a greater extent than they have been to date.³³ Integrating training as part of running a business and as a normal part of employment is generally referred to as the development of a "training culture" in Canada.

Columbia, Throne Speech, p. 8; British Columbia, Competitiveness Strategy, p. 8; Premier's Council, People and Skills, pp. 162-3.

30 See CLMPC, Report of the Task Forces, p. 19.

31 See Advisory Council, Adjusting, p. 36.

32 See Premier's Council, People and Skills, p. 167.

33 See EIC, Success, p. 5; Advisory Council, Adjusting, pp. 41-3; CLMPC, Report of the Task Forces, p. 265; British Columbia, Competitiveness Strategy, pp. 19, 29; Skills Development Advisory, Skills Development, pp. 17, 24; Premier's Council, People and Skills, p. 86.

There is substantial disagreement, however, on financing and responsibility for workplace training. This disagreement is evidenced in the reports prepared by the business and labour members of the Canadian Labour Market and Productivity Centre Task Force on Approaches to Human Resource Planning.

The business members' report recommended a target of private sector spending on training of one per cent of payroll over the next five years with various measures including tax credits, training accounts, skills development savings programs, expanded opportunities for educational leave, and government loans for training purposes as the means to encourage workplace training. A compulsory tax to finance workplace training was explicitly rejected because it would require a large bureaucracy to administer, and would encourage the growth of "paper" training to qualify for tax purposes instead of needed legitimate training.³⁴

Labour members of the same Task Force recommended that the government establish a training fund based on an employer tax of one per cent of payroll. Employers conducting valid training could then draw from the fund.³⁵ The training system funded by the tax/levy should be jointly controlled by labour and management.³⁶

Other sources discussing this issue were also split. The Advisory Council on Adjustment recommended a corporate tax which would be offset completely if base level training is provided to employees.³⁷ The Report of the Canadian Labour Market and Productivity Centre (CLMPC)) Business/Labour Task Force on Adjustment recommended that governments should encourage training on a voluntary basis with the CLMPC to

34 See CLMPC, Report of the Task Forces, pp. 249, 251, 253-7.

35 Ibid., p. 261.

36 Ibid., p. 267.

37 See Advisory Council, Adjusting, p. 43.

examine the feasibility of a levy/grant system.³⁸ A combined approach was recommended by the Ontario Premier's Council with goals for training established under a voluntary system. Assessments and incentives could be added if those goals were not met.³⁹

The approach recommended by the B.C. Skills Development Advisory Committee was creation of a fund to support innovation in training and human resource planning, and a communications strategy to increase awareness of the critical importance of human resource planning and skills development.⁴⁰

One area of general agreement of policy recommendations for workplace training is support for training initiatives on either an industry sector basis or on a community basis.⁴¹

The role of government, apart from establishing a grant/levy system, or instigating various tax incentives for training, is generally recommended to be provision of consulting services for human resource planning and training, and for seed money to develop human resource plans.⁴²

Skill development improvements - To address the skill shortages problems and increasing skill requirements discussed above, most sources advocate increased attention to basic skill acquisition, particularly literacy and numeracy, in the school system.⁴³ They also

38 See CLMPC, Report on Adjustment, p. 12.

39 See Premier's Council, People and Skills, p. 143.

40 See Skills Development Advisory, Skills Development, pp. 23-4.

41 See CLMPC, Report of the Task Forces, p. 251; CLMPC, Report on Adjustment, p. 12; Economic Council, Good Jobs, Bad Jobs, pp. 25-6; Premier's Council, People and Skills, pp. 143, 145.

42 See Advisory Council, Adjusting, p. 45; Economic Council, Good Jobs, Bad Jobs, pp. 25-6; Skills Development Advisory, Skills Development, p. 15.

43 See CLMPC, Report of the Task Forces, pp. 50-1, 59-60, 250; CLMPC, Report on Adjustment, p. 10; British Columbia, Competitiveness Strategy, p. 27; Skills Development Advisory, Skills Development, p. 14; Premier's Council, People and Skills, pp. 27, 55, 69, 119.

recommend that basic skill training be supported for unemployment insurance recipients where appropriate.⁴⁴

Primary responsibility for basic skill training is seen to rest with governments, however, workplace training as a means of delivering literacy programs is recommended.⁴⁵ The need to study the education/training system to examine concerns about the quality of education and about the responsiveness of the system to changing demands is noted.⁴⁶

The Ontario Premier's Council recommends that the colleges and universities place more emphasis on providing generic skills (analytic and problem-solving, functional literacy, numeracy, technological literacy, communication and interpersonal skills) to their students.⁴⁷

With respect to the responsiveness of the training system to changing demands, the B.C. Skills Development Advisory Committee recommended support for faculty and trainer opportunities for updating in technologies and practices through industry internships and industry personnel exchanges.⁴⁸

Life long learning - A related issue is the need to create institutions and attitudes which support and encourage training and learning as an ongoing activity for workers. This is generally referred to as "lifelong learning." The need for lifelong learning comes from the changing nature of technologies and the organization of work which creates the demand for a workforce which is adaptable and able to manage change effectively.⁴⁹

44 See Advisory Council, Adjusting, p. 51; CLMPC, Report of the Task Forces, p. 99.

45 See Advisory Council, Adjusting, p. 43; CLMPC, Report of the Task Forces, p. 51.

46 See Advisory Council, Adjusting, p. 33; Economic Council, Good Jobs. Bad Jobs, p. 20.

47 See Premier's Council, People and Skills, pp. 55, 69.

48 See Skills Development Advisory, Skills Development, p. 23.

49 See CLMPC, Report of the Task Forces, pp. 92, 260; CLMPC, Report on Adjustment, p. 9; British Columbia, Competitiveness Strategy, pp. 27, 29-30.

Intervention to facilitate adjustment - Sources reviewed are agreed that adequate advance notice provisions are necessary to give workers the opportunity to find new employment, to undergo employment counselling and to take retraining if necessary before unemployment occurs.⁵⁰ Nationally consistent minimum standards for advance notice legislation are advocated. The Ontario Premier's Council recommended that the threshold employer size for advance notice legislation in that province be reduced.⁵¹ Successful adjustment requires that these advance notice provisions be accompanied by a comprehensive set of programs to assist dislocated workers. There is general agreement that dislocated workers should not be subject to waiting periods for access to federal and provincial employment and training programs.⁵²

Some sources addressed the issue of adjustment problems of specific groups and recommended that employment counsellors need to pay particular attention to the special problems and needs of older workers and other high risk groups.⁵³ Preventive programming for disadvantaged individuals who are at risk of becoming social assistance recipients is also recommended.⁵⁴

Shift emphasis from "passive" labour market policies to "active" labour market policies - A number of sources noted that Canada spent a much higher proportion of its labour market budget on "passive" income support policies and a lower proportion on "active" policies that focus on counselling, training, information and other supports for

50 See Advisory Council, *Adjusting*, pp. 54-5; CLMPC, *Report of the Task Forces*, pp. 48-9, 92, 98; CLMPC, *Report on Adjustment*, pp. 9, 12; Economic Council, *Good Jobs, Bad Jobs*, p. 23; Premier's Council, *People and Skills*, pp. 199-22.

51 See Premier's Council, *People and Skills*, p. 203.

52 See Advisory Council, *Adjusting*, p. 64; CLMPC, *Report of the Task Forces*, pp. 48-9; Premier's Council, *People and Skills*, p. 213.

53 See EIC, *Success*, p. 7; CLMPC, *Report of the Task Forces*, p. 92.

54 See CLMPC, *Report of the Task Forces*, p. 121.

adjustment than did Canada's international competitors.⁵⁵ There was agreement that the emphasis needed to shift from the passive to the active. The Ontario Premier's Council argued that passive policies were particularly inappropriate to Ontario which was experiencing low unemployment and serious skill shortages at the time their report was written.

Co-ordination and co-operation - The need for co-ordination and co-operation was addressed at both the level of labour/management co-operation and the level of co-ordination of government services.

Citing the need for co-operation between workers and management for successful adjustment, recommendations were made for the creation of bipartite workplace adjustment committees to deal with retraining and lay-off issues. Also recommended was the creation of bipartite groups to advise governments and to ensure that resources are deployed effectively to assist workers and communities suffering from closures or mass lay offs.⁵⁶

The need for better integration and harmonization of policies of the various government agencies at the federal and provincial/territorial levels to make public spending on adjustment programs more effective was identified by a number of sources.⁵⁷ Mechanisms for inter-governmental co-ordination involving more formal and permanent structures were recommended.

55 See EIC, *Success*, pp. 3-4; Advisory Council, *Adjusting*, pp. 46-7, 51; Premier's Council, *People and Skills*, pp. 110, 183.

56 See Advisory Council, *Adjusting*, pp. 38, 51; Premier's Council, *People and Skills*, pp. 200, 204.

57 See Advisory Council, *Adjusting*, pp. 53, 61; CLMPC, *Report of the Task Forces*, p. 46; CLMPC, *Report on Adjustment*, p. 4; British Columbia, *Competitiveness Strategy*, p. 31; Premier's Council, *People and Skills*, p. 204.

Conclusion

There is a strong consensus on the impact of globalization, technological change and demographic change on the labour market. These forces have brought changes in the distribution of employment, in the composition of the labour force, and in skill requirements. There is also a strong consensus on the need for changes to policy responses to labour market issues. We need to develop a training culture, to make lifelong learning a reality, to improve skill development, to intervene to facilitate adjustment, and to shift the emphasis to active labour market policies.

Where the differences arise is over who is responsible for financing these changes, particularly workplace training. The position of the employer community has been that employer support for workplace training should be voluntary and assisted by government incentives. The position of the labour movement has been that employer support for workplace training should be compulsory and that control over workplace training should be shared with workers.

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